

**Amendments to the Specification:**

Please replace the paragraph beginning at page 8, line 29, with the following redlined paragraph:

Figure 3 is a block diagram of processing apparatus for implementing the spectral shaping scheme of the preferred embodiment of the present invention. The processing apparatus 9 receives spectral frames  $X_i$  as input, and outputs spectrally shaped output frames. The input spectral frames are provided to a delay buffer 1, which delays the input spectral frames by the look-ahead depth  $D$  before passing them to a state transition application circuit 2 which applies the spectral shaping and outputs the spectrally shaped output frames. The spectral shaping which is applied by the state transition circuit 2 is determined by spectral shaping processing circuitry on the basis of the input spectral frames over the look-ahead depth. The spectral shaping processing circuitry includes a metric computation and trellis extension engine 34, a node memory RAM 3, a current root node state storage 6, a state transition information ROM 7, and a state transition selector 5. The operation of the processing apparatus 9 is described in greater detail hereinbelow.